



Creating  
a world  
leader



in active  
ownership  
strategies

16 March 2022





1

Attractive fundamentals, outsized growth in private markets and increasing client allocations in Asia

2

Together EQT and BPEA create a unique scaled platform in Asia, based on active ownership, a strong performance, and a great cultural fit

3

The combination is highly strategic with strong financial merits and aligned incentives

4

EQT is creating a global leader in active ownership with a strong performance track-record





# Asia



42%

Of global GDP growth by 2030<sup>1</sup>

85%

Of new members of the  
global middle class by 2030<sup>1</sup>

2x

Faster digital adoption than  
in mature markets<sup>2,3</sup>





# 1.8x

Growth in private markets in Asia vs. global 2020-2025 CAGR<sup>1</sup>

# 68%

Clients see Asia as a primary area of their private equity program in 2021<sup>2</sup>

Significant growth potential for private markets firms in Asia  
Global private markets firms' share of AUM<sup>1</sup>

## 23%

2016

## 34%

Today

## ~40%

2025



# BPEA has the right cultural fit, track-record and scale

## Exceptional fit

- ✓ Active ownership
- ✓ Thematic
- ✓ Culture
- ✓ Local-with-locals
- ✓ Sustainability
- ✓ Digitalization

## Strong track-record

25

Year track-record

~60%

Average flagship  
fund growth<sup>2</sup>

2.6x

Realized  
Gross MOIC  
since inception<sup>1</sup>

67%

EBITDA margin<sup>3</sup>

## Scale

#3

AUM in Asia<sup>4</sup>

18

Fee-generating  
AUM (€bn)

10

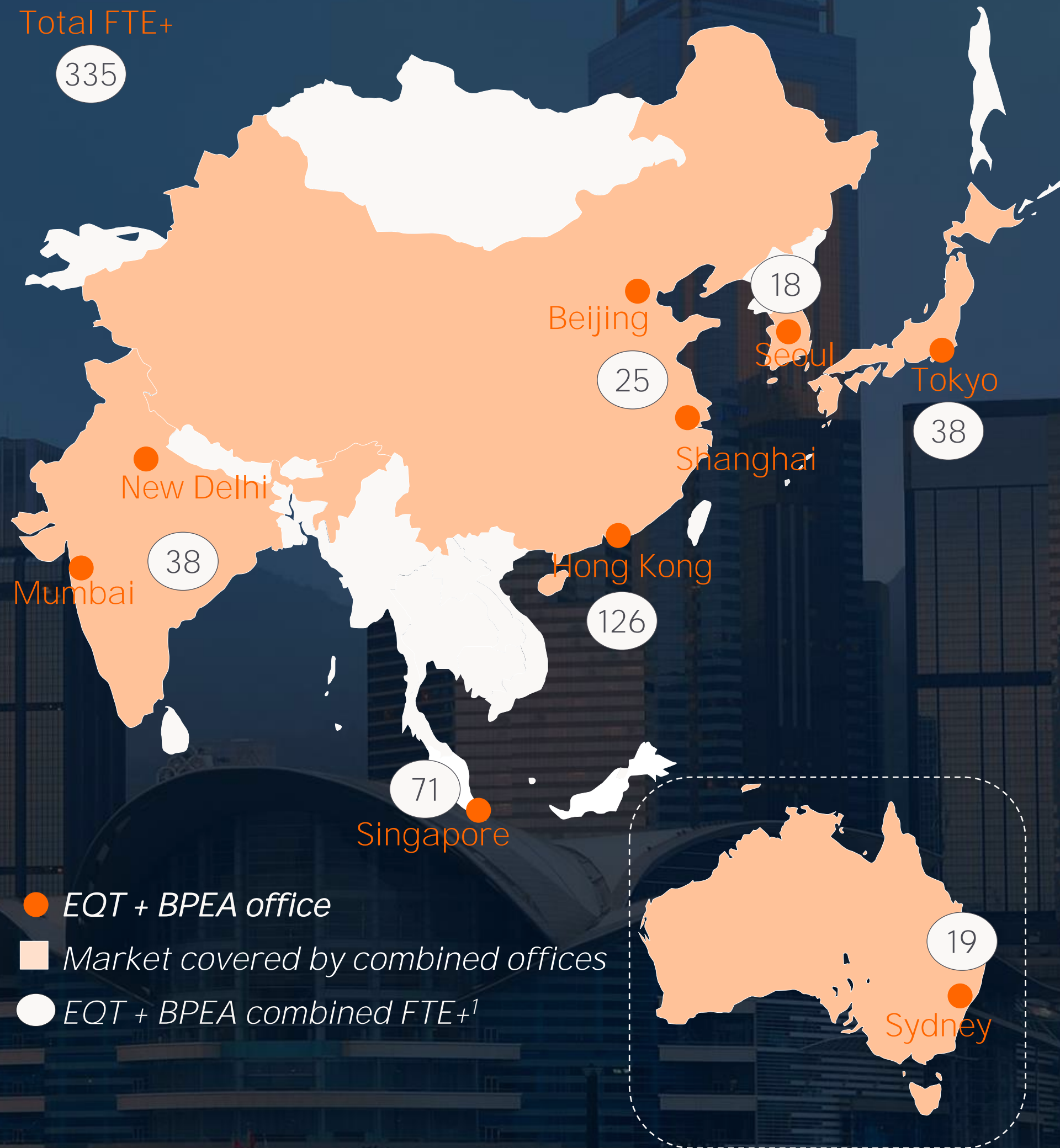
Regional offices

110+

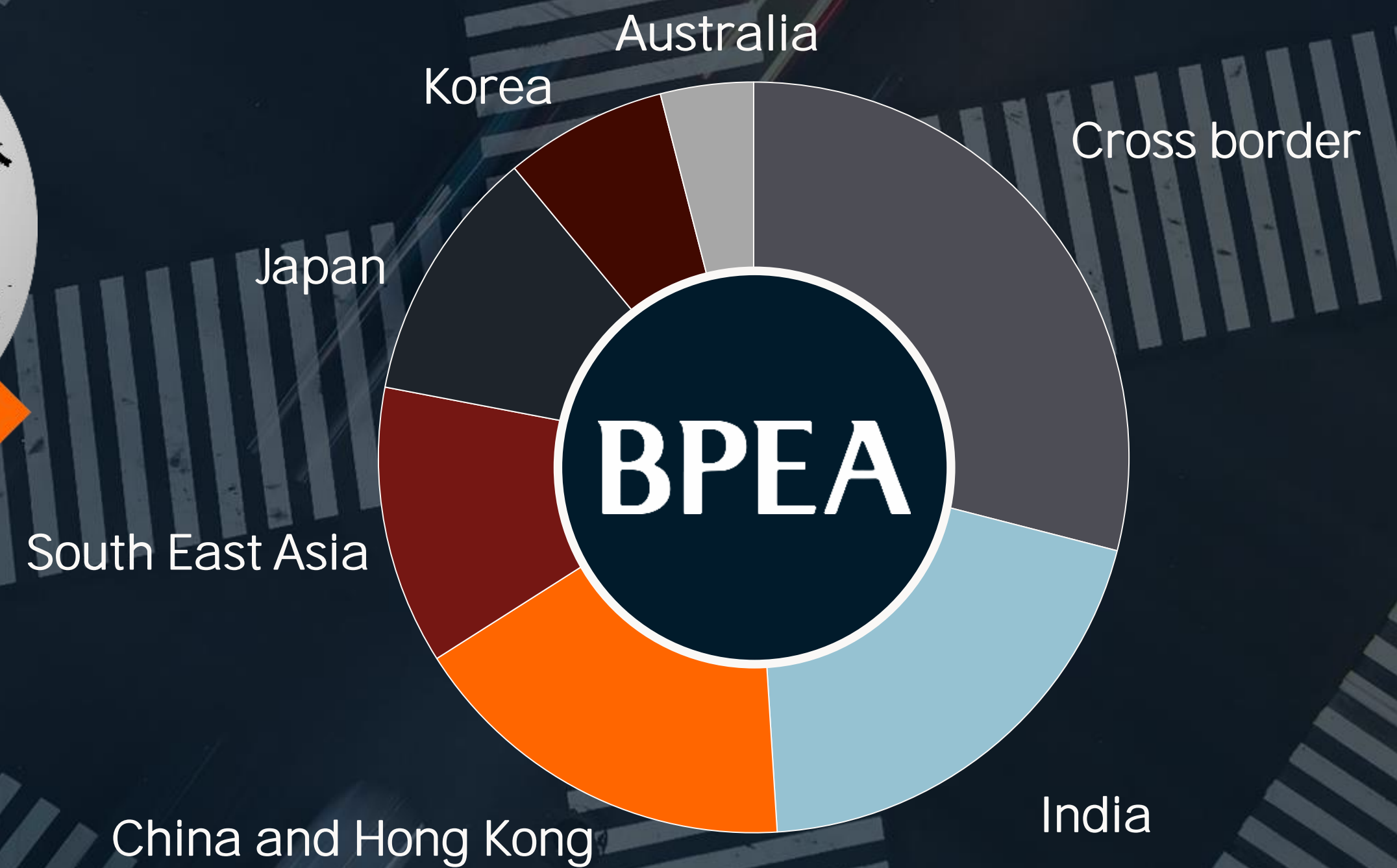
Investment  
professionals



# Creating a scaled active ownership platform in Asia



Investment by geography<sup>2</sup>





# The combined platform is uniquely positioned to deliver performance for clients

**BPEA**  
IEQT ASIA

Private Capital

- Introduce adjacent strategies
- Expand thematic focus areas
- Scale flagship funds
- Build growth strategy

**IEQT**

Infrastructure

- Larger on-the-ground footprint in Asia
- Incremental sourcing opportunities

**IEQT | EXETER**

Real Estate

- Build a scaled Real Estate platform
- Accelerate growth across Asia
- Diversified logistics-led strategy

Active ownership

Thematic

Future-proofing

Digitalization

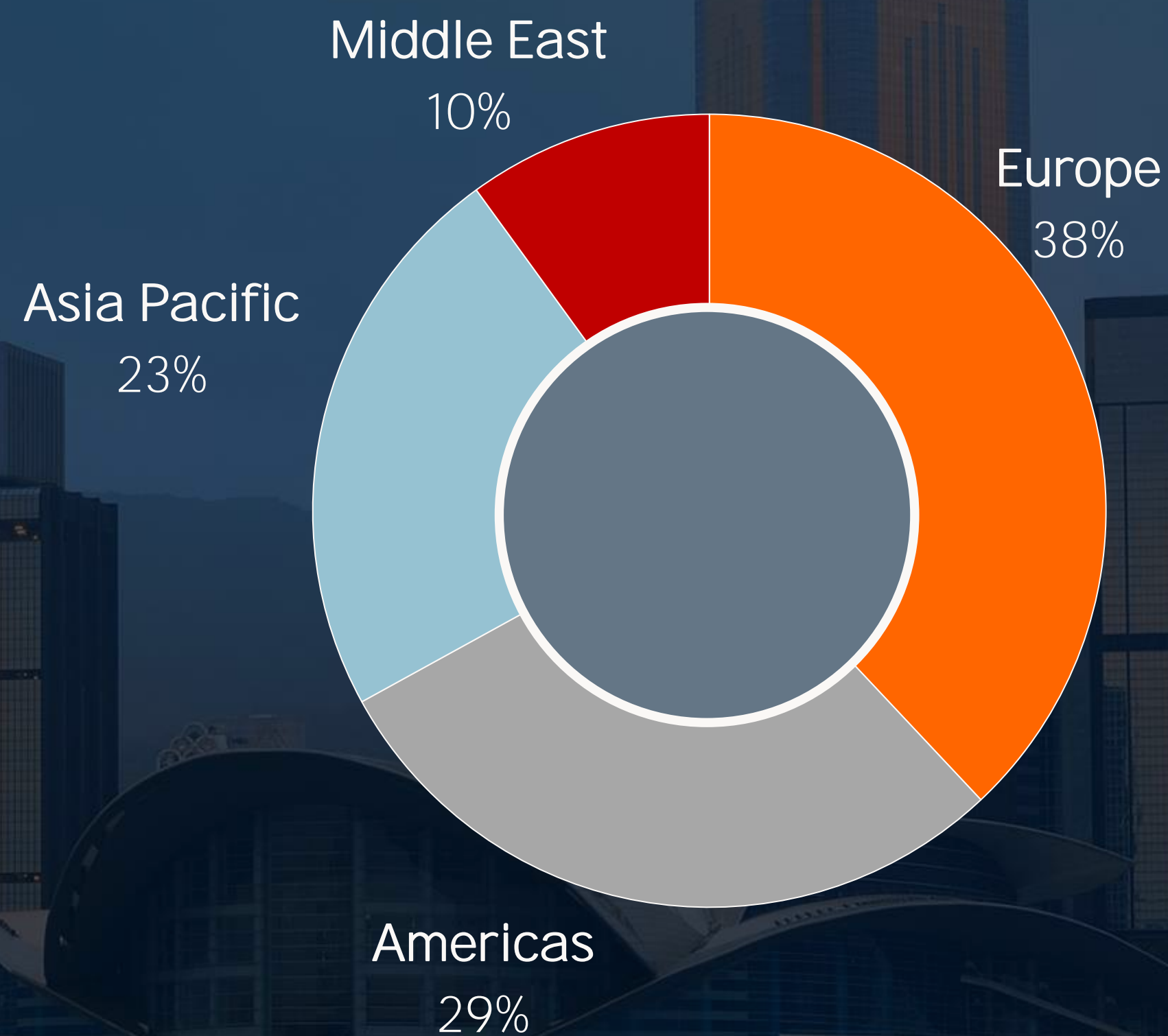
Sustainability

Local-with-locals



# Strengthening client relationships across platforms

**EQT**<sup>1</sup>  
~730 clients

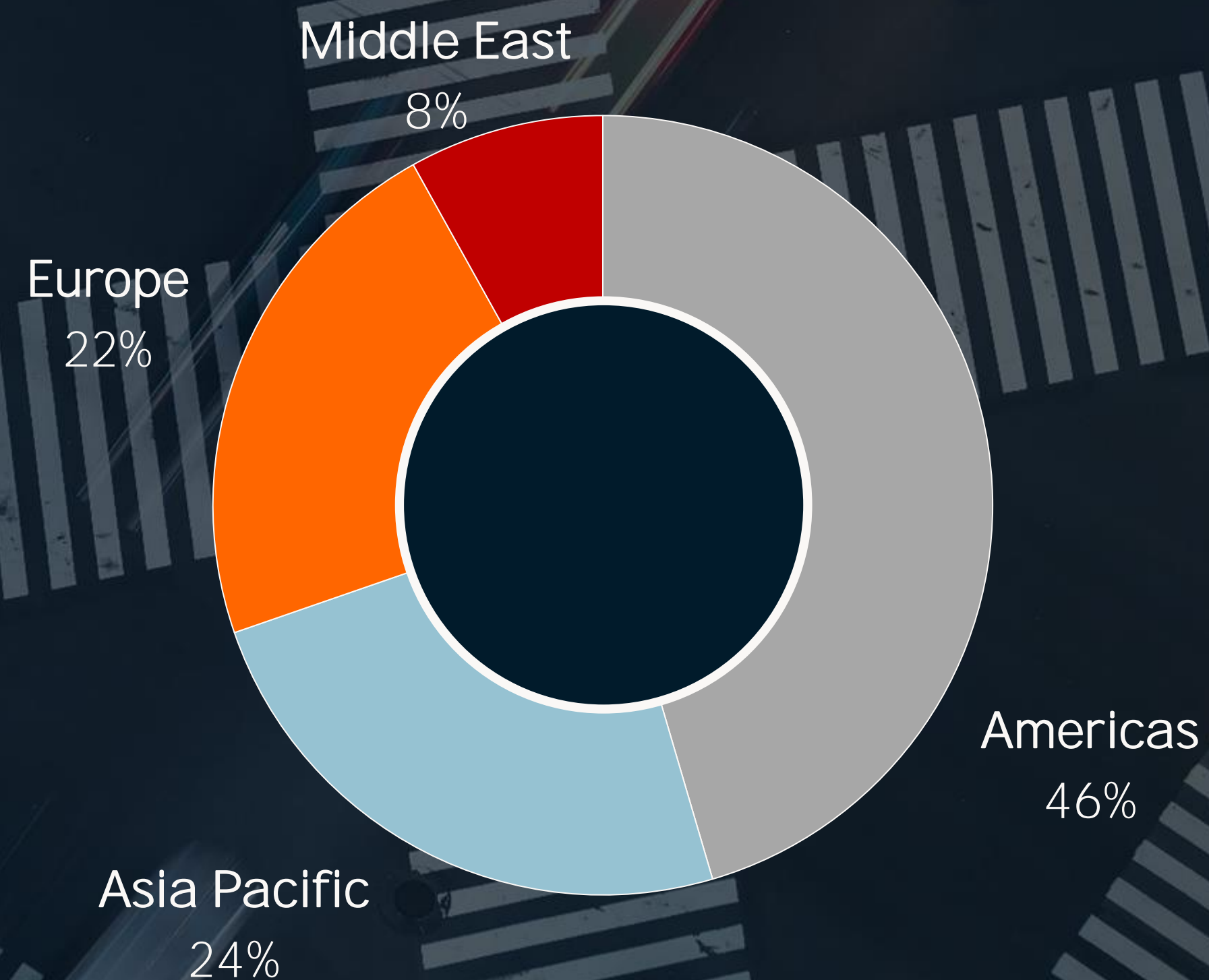


**+100**

New client relationships to EQT

*Opportunity to leverage existing client relationships across combined platform*

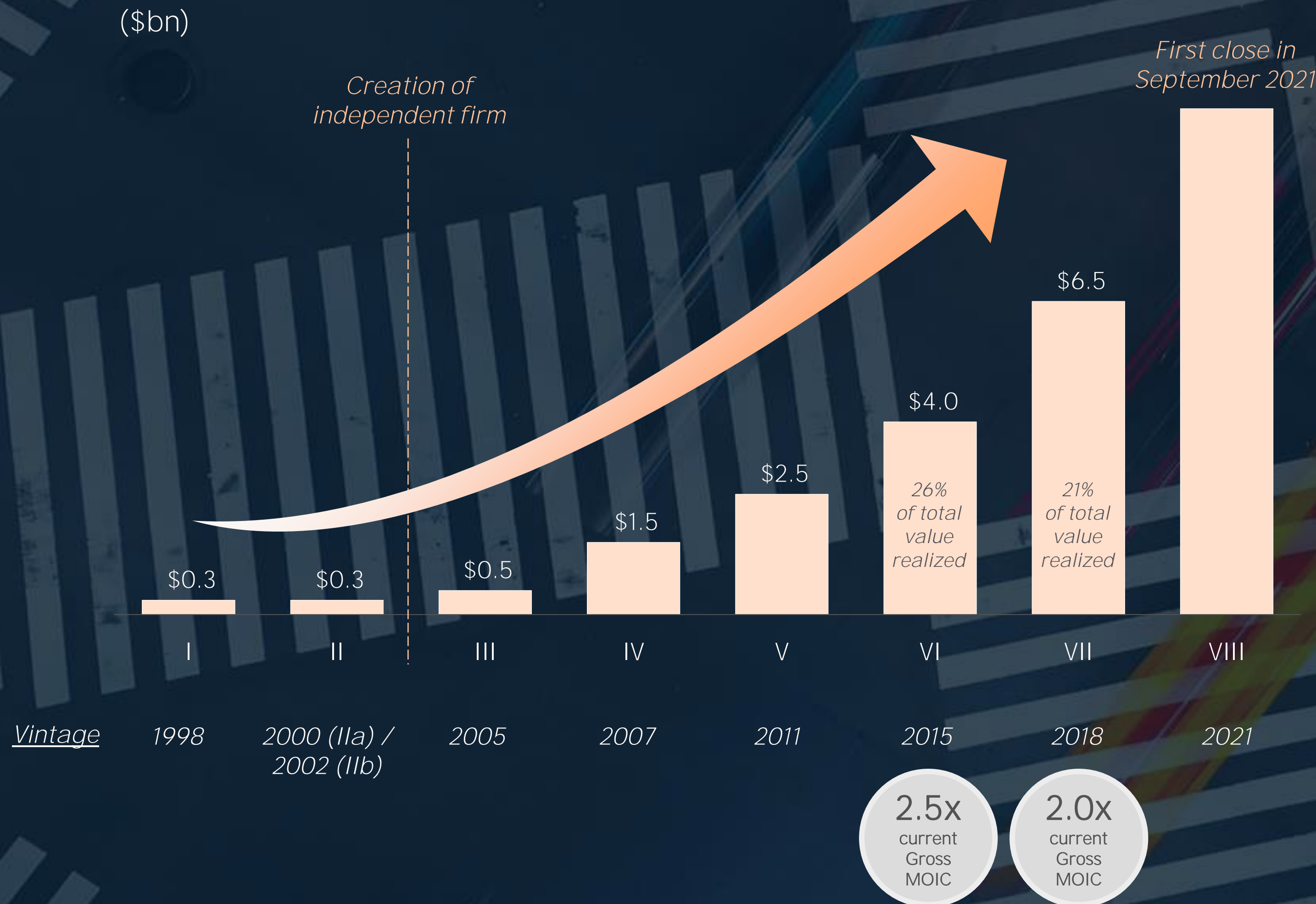
**BPEA**<sup>2</sup>  
~300 clients





# BPEA – rapid acceleration in fundraising...

## Private Equity



## Real Estate



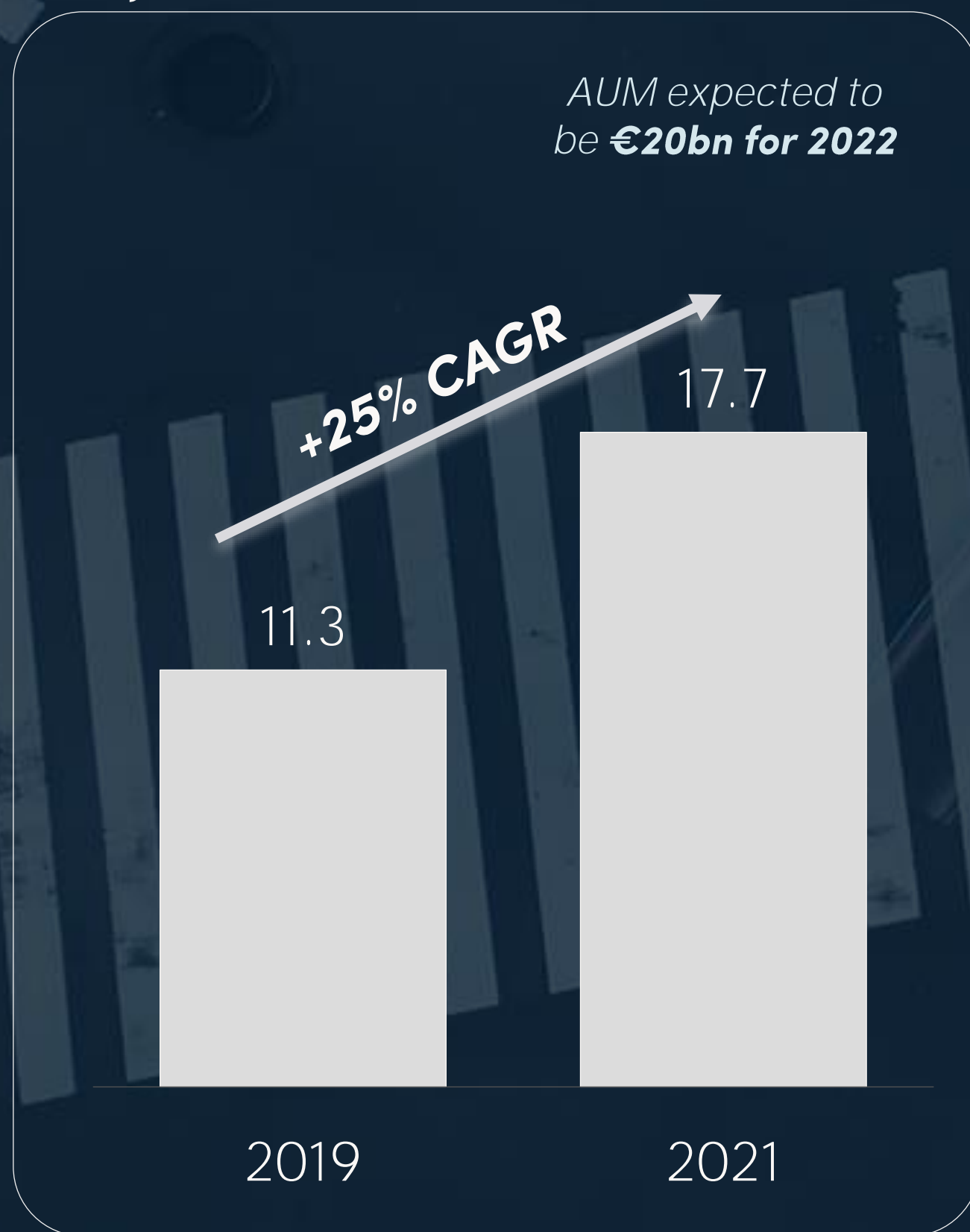




# ... resulting in a strong financial profile

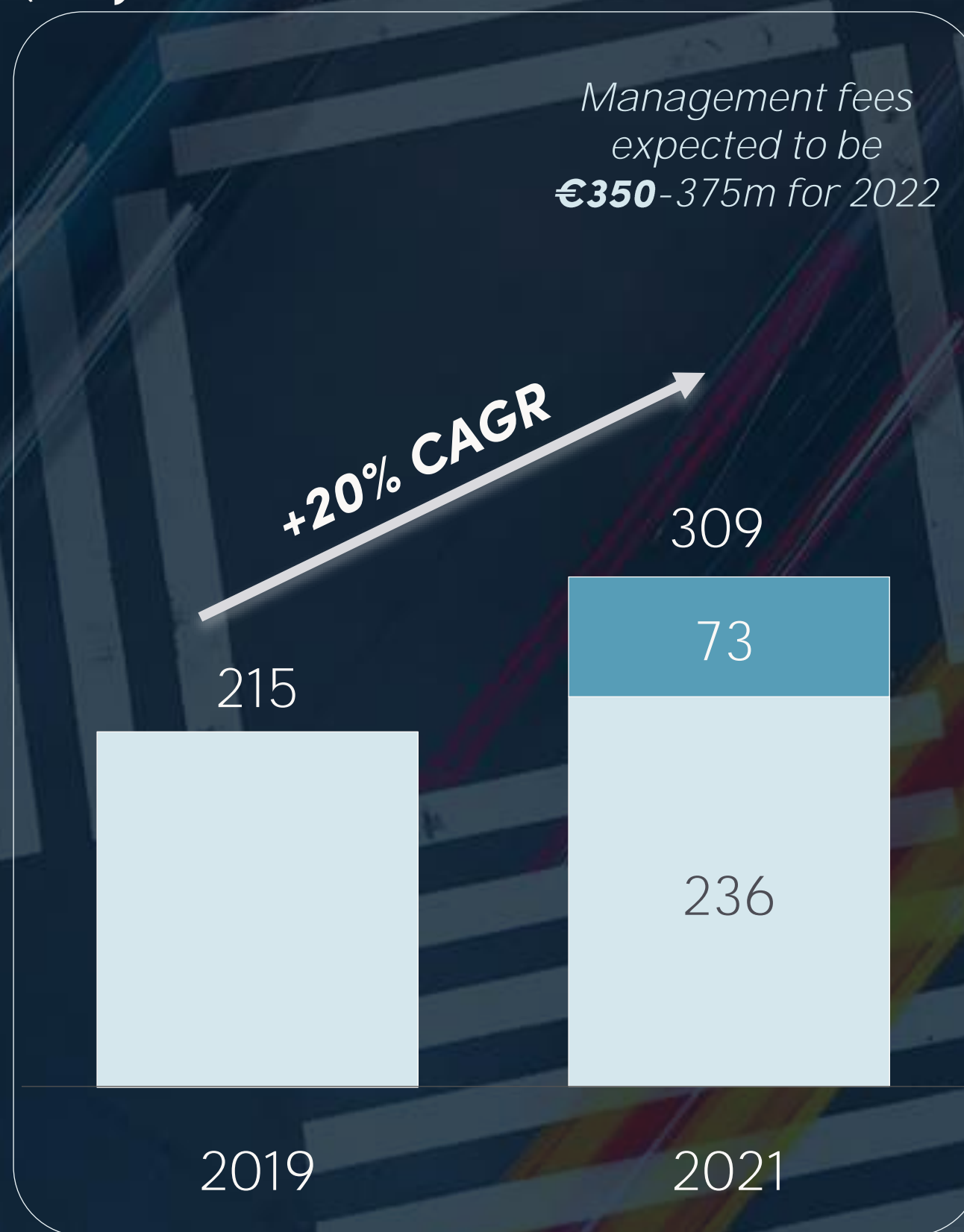
## AUM<sup>1</sup>

(€bn)



## Revenue<sup>2</sup>

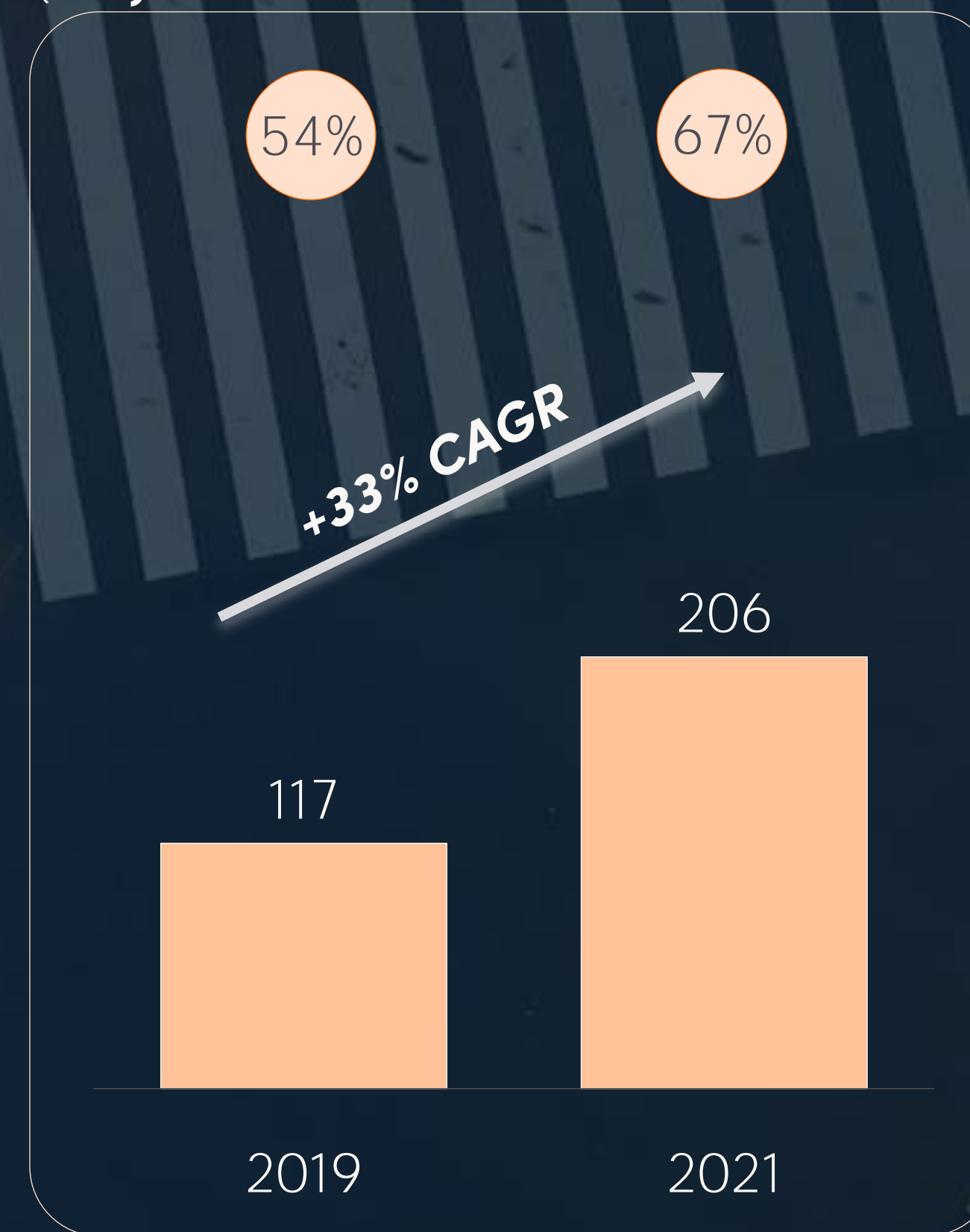
(€m)



■ Management fees  
■ Carried interest and investment income

## EBITDA<sup>2</sup>

(€m)



● EBITDA margin



# True partnership with aligned incentives

100%  
of BPEA

35%  
of future carried interest  
BPEA VI: 25%  
BPEA VII: 35%

Total consideration  
**€6.8bn**  
(\$7.4bn)

Equity consideration

**~80%**

BPEA shareholders' pro forma  
stake in the enlarged EQT

**~16%**  
(~191m shares)

Cash consideration

**€1.5bn**

Expected closing

**Q4 2022<sup>1</sup>**

Transaction is expected to be immediately high single digit accretive to EPS





# A global platform with a strong performance track-record



Private Capital  
Europe & North  
America



Private  
Capital  
Asia



Real  
Estate



Infrastructure

2.6x

Gross MOIC

23%

Net IRR

2.6x

Gross MOIC<sup>1</sup>

17%

Net IRR<sup>2</sup>

2.4x

Gross MOIC

23%

Net IRR

2.3x

Gross MOIC

18%

Net IRR

*~80%*  
of global  
GDP covered<sup>3</sup>

*Active  
ownership*

*From ventures  
to mature*

*Motherbrain*

*Sustainability*

*600+ EQT  
advisors*

*EQT Academy*



# Creating a world leader in active ownership strategies

1

Asia private markets expected to grow at almost twice the rate of global markets

2

BPEA provides the right fit, track-record and scale

3

Creating a scaled active ownership platform in Asia

4

**EQT's global platform – “local-with-locals”** – covering nearly 80% of global GDP

5

With a strong performance track-record, EQT is uniquely positioned to expand and scale active ownership strategies globally





Questions?





# Appendix



# The next step on EQT's strategic journey – creating a scaled active ownership platform in Asia





# Asia – a strategic priority for EQT

Strong market fundamentals

Investors to increase allocations to Asian private markets<sup>4</sup>

Under-penetration of private markets in Asia leaves room for future growth

Asia will contribute **42%** of global GDP growth by 2030<sup>1</sup>

Asia will represent **~85%** of new members of the global middle class by 2030<sup>1</sup>

Digital adoption in Asia has accelerated **~2x** faster than in mature markets<sup>2,3</sup>

**96%**

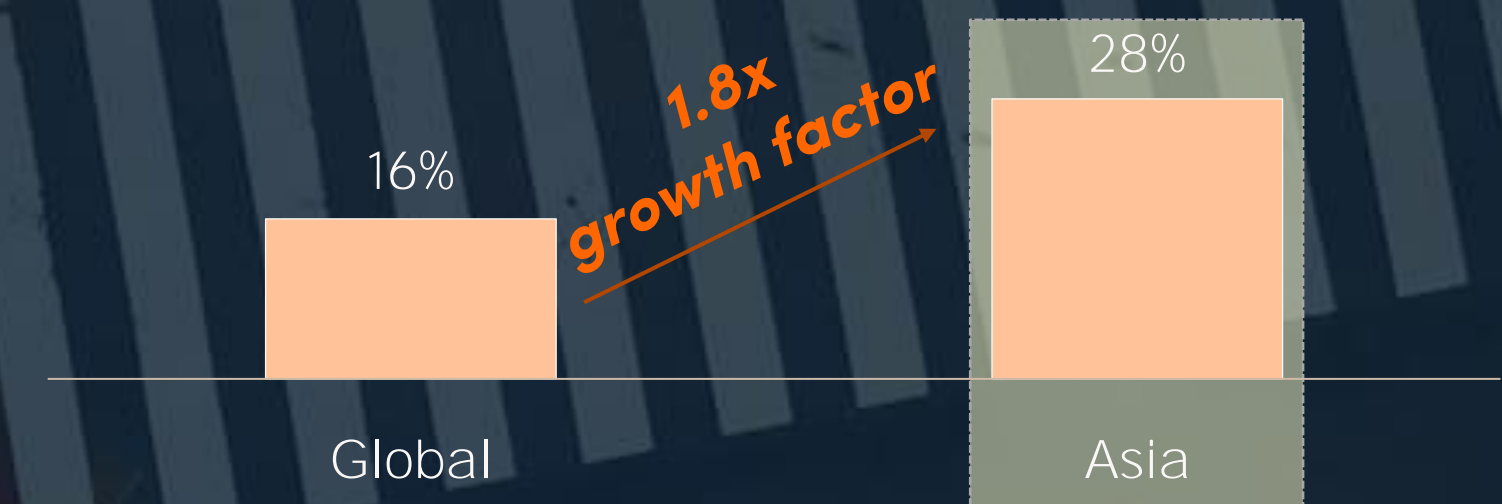
Clients will **maintain or increase** their allocation to private equity globally

**68%**

Clients see **Asia as a primary area** of their private equity program in 2021 (vs 55% in 2020)

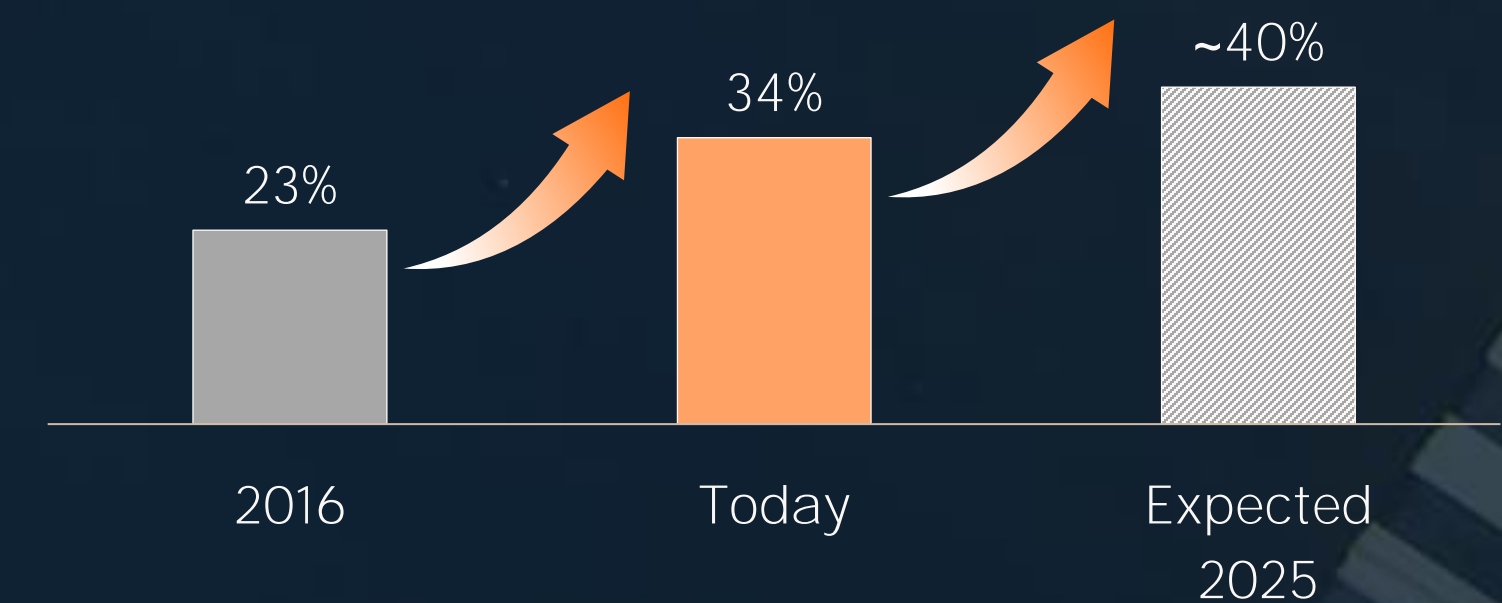
Asia is poised to outpace global private markets growth

Private markets 2020 – 2025 CAGR<sup>5</sup>



Global private markets firms still represent a minority of the Asian market

Global private markets firms' market share by AUM<sup>5</sup>







# Asia as a new engine of EQT's growth

		EQT	BPEA <sup>1</sup>	EQT incl. BPEA	BPEA % of total
AUM	€bn	73	18	91	19%
Revenue <sup>2</sup>	€m	1,623	309	1,932	16%
EBITDA <sup>2</sup>	€m	1,100	206	1,305	16%
EBITDA margin <sup>2</sup>	%	68%	67%	68%	
FTE+ <sup>3</sup>	#	1,160	236	1,396	17%





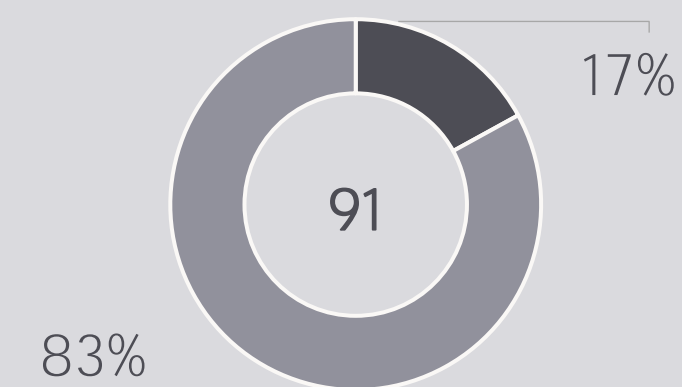
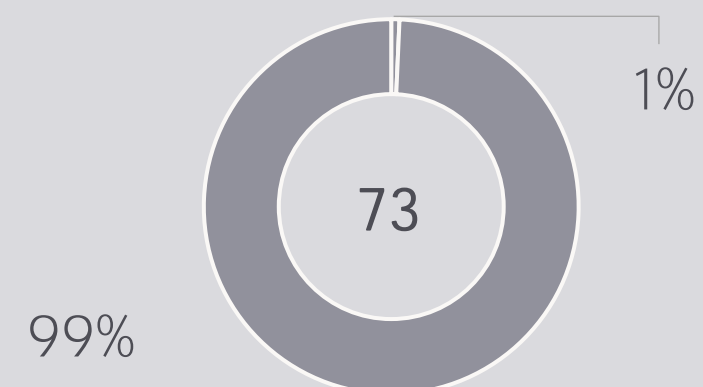
# A step-change to EQT's platform in Asia

2021

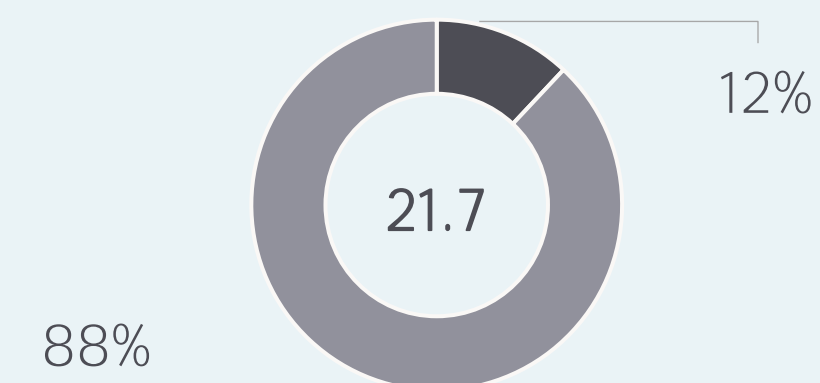
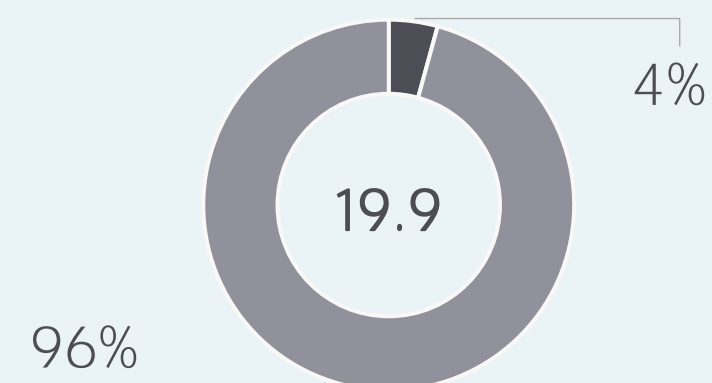
EQT

EQT and BPEA combined<sup>4</sup>

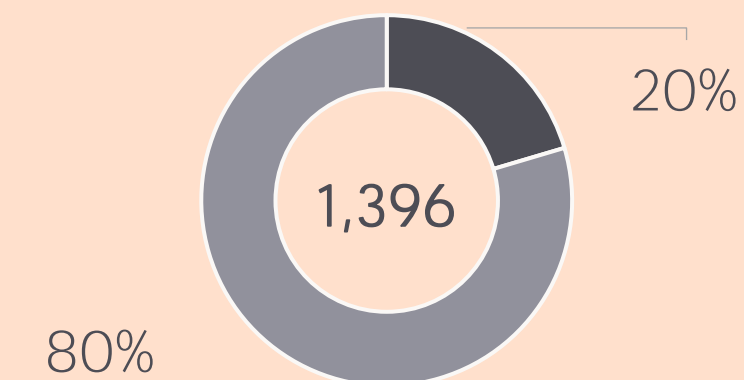
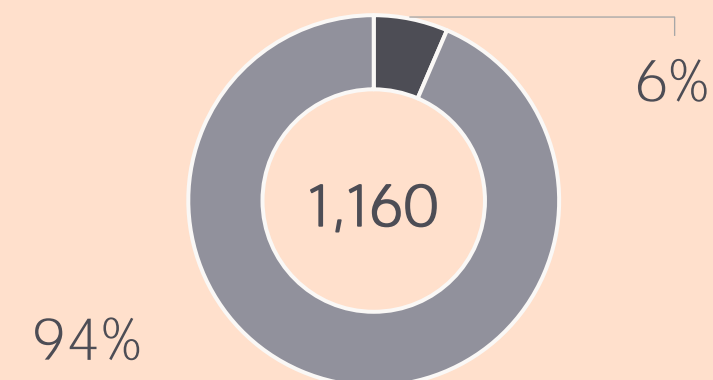
AUM<sup>1</sup>  
(€bn)



Invested capital  
during 2021<sup>2</sup>  
(€bn)



FTE+<sup>3</sup>  
(#)



Asia

Europe and North America





# BPEA – local footprint and sourcing

## Footprint

- 10 regional offices
- ~95% of FTEs based in Asia and Australia<sup>1</sup>
- ~230 FTE+<sup>1</sup>
- Integrated teams across countries and sectors

## Sourcing

- Extensive knowledge of local markets with on-the-ground sourcing and execution capabilities
- A multi-dimensional sourcing model underpinned by expansive long-term networks and strong reputation in Asia
- Proprietary origination angle<sup>2</sup> in 76% of the investments in Funds VI and VII<sup>3</sup>





# Establishing a new pillar for EQT's Private Capital business

EQT

Private Capital

Real Assets

Asia  
AUM<sup>1</sup>: €18bn

Europe | North America  
AUM: €33bn

Infrastructure  
AUM: €26bn

EQT Exeter  
AUM: €14bn

BPEA  
EQT ASIA

Ventures

Life Sciences

Growth

Private Equity

Future

PVF



Continue to operate on a global basis, including Asia

BPEA Real Estate integrated into EQT Exeter



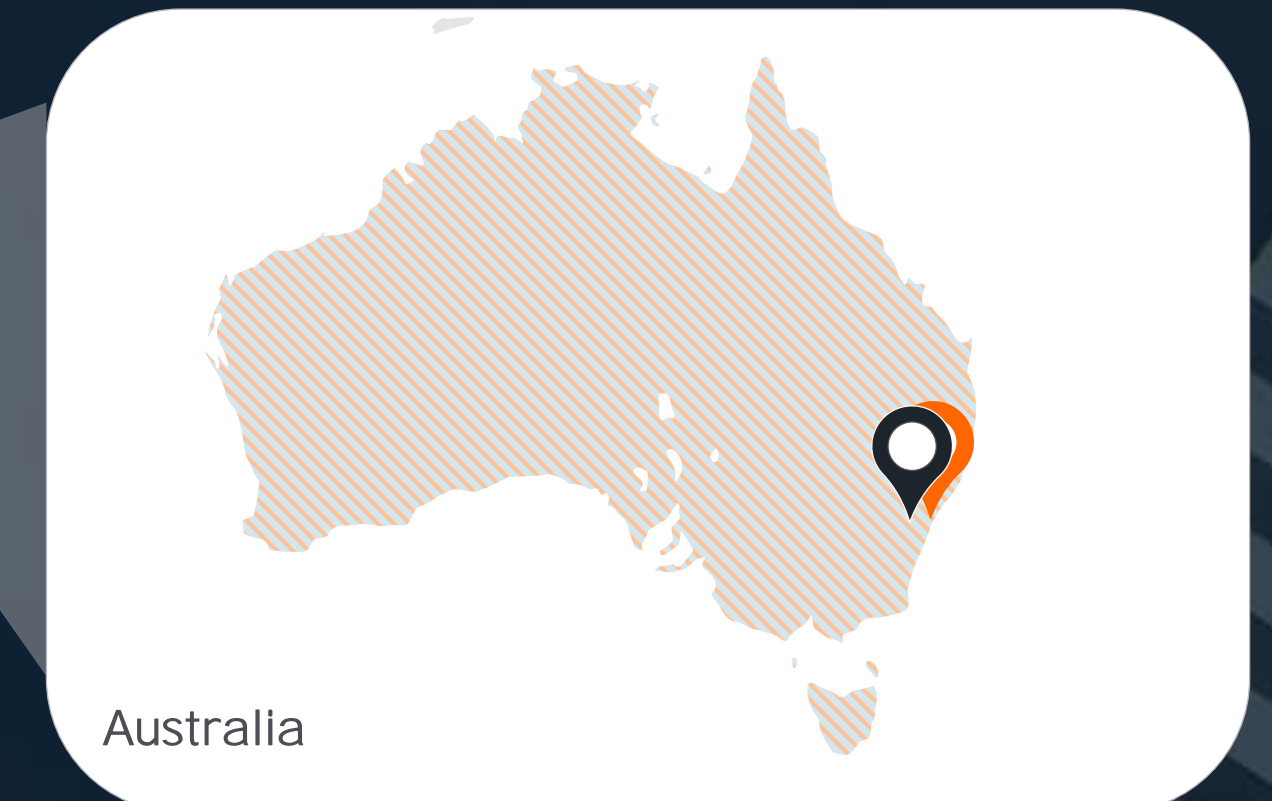
# EQT's global platform – “local-with-locals” covering 78% of global GDP

EQT<sup>1</sup>

Stockholm	Philadelphia
Helsinki	Chicago
Oslo	Atlanta
Copenhagen	South Florida
Amsterdam	Indianapolis
London	Memphis
Luxembourg	Sao Paulo
Munich	Mexico City
Zurich	Seoul
New York	Prague
Madrid	Brussels
Shanghai	Dallas
Hong Kong	Seattle
Singapore	Dublin
San Francisco	Dusseldorf
Milan	Warsaw
Berlin	Houston
Sydney	Washington DC
Tokyo	
Paris	

**BPEA**  
Baring Private Equity Asia

Beijing  
Hong Kong  
London  
Los Angeles  
Mumbai  
New Delhi  
Shanghai  
Singapore  
Sydney  
Tokyo





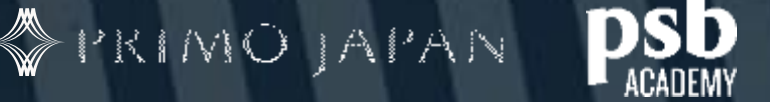





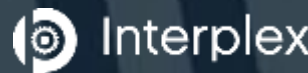









**~80%**  
of global  
GDP covered<sup>2</sup>

 EQT office

 BPEA office

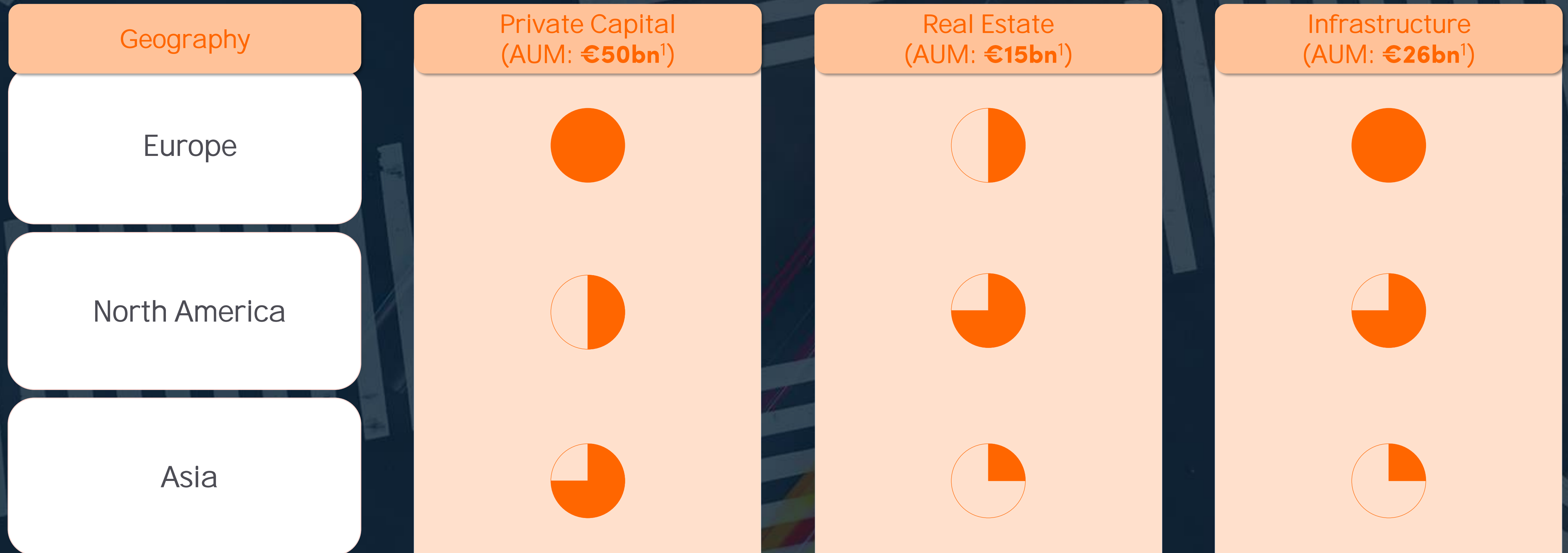


# BPEA – overview of existing funds

	Vintage	Fund size (\$bn)	Current AUM (\$bn) <sup>1</sup>	EQT AB carried interest	Representative investments
Private Equity funds					
Fund IV	2007	1.5	0.3	-	  
Fund V	2011	2.5	1.9	-	   
Fund VI	2015	4.0	3.6	25%	   
Fund VII	2018	6.5	6.5	35%	   
Fund VIII	2021	n.a.	n.a.	35%	  
Real Estate funds					
RE Fund I	2015	0.4	0.1	-	AccraLaw Tower    Myeongdong Tower (MDT)    Joyful Honda    45 Tai Tam
RE Fund II	2018	1.0	1.0	-	Forest Logistics    ARCA Building    235 Bourke Street    H1 Express Midosuji
Logistics Co-invest	2021	1.0	0.3	-	



# Uniquely positioned to expand and scale active ownership strategies globally



 Combined scale



# BPEA and EQT Private Capital Asia to become BPEA EQT Asia



## Governance

Jean Eric Salata will become:

- Head of BPEA EQT Asia
- **Member of EQT's Executive Committee**

## Collaborations

- **EQT's existing Private Equity Asia team integrated into BPEA's team with strong joint ability to continue growth trajectory**
- Close collaboration between BPEA EQT Asia and EQT Private Capital Europe and North America

## Future-proofing

- Digital: Leverage Motherbrain and EQT Digital Business Development across the platform
- **Sustainability: EQT's ESG**-related value creation approach integrated throughout the investment life cycle



# BPEA – investment strategy

## Investment consideration

## BPEA approach

Revenue<sup>1</sup>

Management fees 77%

Carried interest and investment income

23%

Segment<sup>2</sup>

Private Equity 92%

Real Estate 8%

Sector



Business & info. services



Technology services



Healthcare



Education



Financial services



Industrials / specialty manufacturing



Consumer

Geography

Cross-border

India

Greater China

Japan

SEA

Korea

Australia

Strategy

Thematic sector focused origination

Asset repositioning

Institutionalization

Deal sourcing

Proprietary  
(Relationship / Direct approaches)

Privately negotiated transactions

Intermediated approaches



# EQT's financial targets are reinforced by the transaction

EQT targets (over the fund cycle)

Transaction impact

## Growth

Revenue growth exceeding the private markets' long-term growth rate

No change

## Profitability

Adjusted EBITDA margin of 55-65%

No change

## Dividend policy

To generate a steadily increasing annual dividend in absolute euro-denominated terms

No change<sup>1</sup>

Transaction is expected to be immediately high single digit accretive to EPS



# Summary of key transaction terms

## Key terms

- EQT will acquire 100% of BPEA for total consideration of **€6.8bn (or \$7.4bn)**
  - 25% in BPEA Fund VI and 35% in BPEA Fund VII included in the transaction perimeter
  - EQT will be entitled to 35% of the carried interest of future funds
- Cash consideration of **€1.5bn (or \$1.6bn) equivalent to ~20% of total consideration**

**€6.8bn  
(\$7.4bn)**  
Total  
consideration

## Shareholding

- BPEA shareholders to receive 191.2m EQT shares<sup>1</sup> (16% of enlarged share capital)
- BPEA management team to enter into lock-up provisions, consistent with those of current senior EQT partners
- AMG will receive same consideration mix as other BPEA shareholders equating to 29m EQT shares of which 25% will be subject to 180 days lock-up

**16%**  
BPEA  
shareholding  
in EQT

## Financing

- Cash consideration financed through existing cash and available financing facilities
- EQT has cash and facilities in place to fund the cash consideration. In addition, EQT may review long-term financing options

## Timeline

- EQT shareholders representing more than 50% of the share capital have irrevocably committed to vote in favour of the issuance of new shares at the AGM in June 2022
- Customary closing conditions including anti-trust, regulatory approvals and BPEA client consent approvals
- Completion expected Q4 2022

**Q4 2022**  
Expected  
closing



# Financing of the cash consideration

Cash consideration  
for the transaction

**€1.5bn**  
(\$1.6bn)

## Cash resources:

- Cash on balance sheet as of 31-Dec-21 of **€588m**
- Additional cash generation from management fees received in Jan 2022 and July 2022

## Existing financing facilities:

- Access to **€1bn RCF**
- Additional **€1bn bridge facility signed and in place for the transaction, underwritten** by Morgan Stanley

We may evaluate long-term financing options in the debt market over time



# End notes

Page number	Footnote number	Reference
Page 3	1	Source: Euromonitor
	2	Refers to increase in internet users as % of population in China / SEA / India vs. US
	3	<b>Source: Via Bain &amp; Company's "How India Shops Online Report": Forrester; CRISIL; Future of Consumption in Fast-Growth Consumer Markets: India, Bain &amp; Company and World Economic Forum; Euromonitor; Industry participant interviews; 2021 Online Retail Forecast, APAC/US: Forrester; Bain analysis</b>
Page 4	1	By AUM; Source: Preqin
	2	Source: Cambridge Associates LLC report; Profitas survey 2019 Dec 2018, EMPEA EM PE survey May 2018, Collier Capital PE Barometer 2021
Page 5	1	Since inception defined as the timing of creation of the independent firm (from Fund III and onwards)
	2	Arithmetic average of fund growth for Private Equity Funds V – VIII
	3	Adjusted EBITDA as of December 2021
	4	Excluding international alternative asset managers
Page 6	1	<b>EQT's FTE+ based on a pro forma base which includes the acquisition of Bear Logi; BPEA's FTE+ figure as of December 31, 2021. BPEA employees outside of Asia not included.</b>
	2	As of December 31, 2021
Page 8	1	Based on total commitments in active funds as of December 31, 2021
	2	Based on total commitments across all live funds (VI – VIII) as of December 31, 2021
Page 10	1	Converted to EUR using an FX rate of 1.1326 as of December 31, 2021 and an FX rate of 1.1234 as of December 31, 2019
	2	Adjusted revenue and EBITDA; Converted to EUR using an FX rate of 1.1827 as an average for CY2021 and an FX rate of 1.1195 as an average for CY2019
Page 11	1	Subject to customary closing conditions, including anti-trust, regulatory approvals and certain BPEA fund investor consent approvals, as well as EQT majority shareholder approval at the AGM in June 2022 granting the board of directors of EQT the authority to issue the consideration shares
Page 12	1	Realized Gross MOIC since inception for Private Equity Funds (III – VII) as of December 31, 2021
	2	Net IRR since inception for Private Equity Funds (III – VII) as of December 31, 2021
	3	2021 nominal GDP estimate; Source: Macroeconomics indicators EIU via SNL as of Feb 2022
Page 17	1	Source: Euromonitor
	2	Refers to increase in internet users as % of population between China / SEA / India vs. US





# End notes (cont'd)

Page number	Footnote number	Reference
Page 17	3	<b>Source: Via Bain &amp; Company's "How India Shops Online Report": Forrester; CRISIL; Future of Consumption in Fast-Growth Consumer Markets: India, Bain &amp; Company and World Economic Forum; Euromonitor; Industry participant interviews; 2021 Online Retail Forecast, APAC/U.S.: Forrester; Bain analysis</b>
	4	Source: Cambridge Associates LLC report; Profitas survey 2019 Dec 2018, EMPEA EM PE survey May 2018, Collier Capital PE Barometer 2021
	5	Source: Preqin
Page 18	1	AUM converted to EUR using an FX rate of 1.1326 as of December 31, 2021, adj. Revenue and EBITDA converted to EUR using an FX rate of 1.183 as an average for FY2021
	2	Adjusted
	3	<b>EQT's FTE+ based on a pro forma base which includes the acquisition of Bear Logi; BPEA's FTE+ figure as of December 31, 2021</b>
Page 19	1	EQT AUM in Asia consists of Mid Market Asia III fund
	2	Excludes Ventures and PVF for EQT
	3	EQT Asia FTE figures consist of all FTEs based in Asia and Australia
	4	AUM converted to EUR using an FX rate of 1.1326 as of December 31, 2021, invested capital converted to EUR using an FX rate of 1.183 as an average for FY2021
Page 20	1	As of December 31, 2021
	2	Refers to either an existing relationship with a company or its management team, or instances when BPEA has directly approached a company
	3	As of December 31, 2021; with 2 additional FTEs based in Switzerland
Page 21	1	Including the EQT Mid Market Asia III fund
Page 22	1	<b>Including EQT Exeter's 15 largest offices in terms of headcount</b>
	2	2021 nominal GDP estimate; Source: Macroeconomics Indicators EIU via SNL as of Feb 2022
Page 23	1	As of December 31, 2021
	2	Expected to close in 2022
Page 24	1	AUM as of December 31, 2021
Page 26	1	As of December 31, 2021
	2	As of December 31, 2021; excluding BPEA Credit
Page 28	1	New shares will be entitled to the second dividend instalment of SEK 1.40 per share, assuming closing in Q4 2022 before the second instalment is paid in December; total annual DPS of SEK 2.80 per share remains unchanged





ECT



BPEA